1st Reading 1/30/2015

Referred to (name of) Committee CD \$\Rightarrow RS

Public Hearing 6/23/2015

2nd Reading and Final Passage

2015-Or-<u>053</u> AN ORDINANCE of the CITY OF MINNEAPOLIS

By Frey

Amending Title 13, Chapter 297 of the Minneapolis Code of Ordinances relating to Licenses and Business Regulations: Hotels.

The City Council of the City of Minneapolis do ordain as follows:

Section 1. That Section 297.10 of the above-entitled ordinance be amended to read as follows:

297.10. – Defined Definitions. For the purposes of this chapter, every building or structure kept, used, maintained, advertised or held out to the public to be a place where sleeping or rooming accommodations are furnished to the general public for a shorter period of time than one week, with or without meals, shall be deemed a "hotel." The person in charge of any such hotel, whether as owner, lessee, manager or agent, shall be deemed to be the proprietor of such hotel.

<u>Extended stay hotel</u>. An establishment in which all rooms contain accommodations for sleeping and a <u>kitchen equipped with a full-sized refrigerator</u>, <u>built-in cooking facilities</u>, <u>microwave</u>, <u>sink</u>, <u>cooking utensils</u>, <u>dishes and cutlery</u>.

Hotel. An establishment containing more than twenty (20) guest rooms, which is used or advertised as a place where lodging accommodations are supplied for pay to guests for transient occupancy.

Hotel, boutique. An establishment containing a minimum of five (5) and a maximum of twenty (20) rooming units for providing transient occupancy to the general public with rooms having access to the outside through an interior hallway connected to the main lobby of the building, and which may provide additional services such as a restaurants, meeting rooms, entertainment and recreational facilities.

Motel. "Motel" shall mean "hotel" as defined in this Code.

Section 2. That Section 297.20 of the above-entitled ordinance be amended to read as follows:

297.20. - License required. No person shall keep, maintain or operate a <u>boutique hotel</u>, extended stay hotel, or hotel within the city without first having obtained a license to do so as hereinafter provided.

Section 3. That Section 297.30 of the above-entitled ordinance be amended to read as follows:

297.30. - Application for license. Any person desiring to engage in the business of operating a hotel as provided for in this chapter shall first make application therefor in writing to the city council by filing with the licensing official a written application for such license, designating therein the character of the business to be conducted, giving in such application the full name and address of the proprietor or owner, or both, of such proposed hotel and such other information as the licensing official may require to verify that the terms and conditions of this chapter have been met. Upon receipt of an application,

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the licensing official shall refer the application to the commissioner of health, building official, and fire department, for investigation and report whether the applicant meets the terms and conditions of this chapter and all applicable city codes relating to zoning, building, housing, health, and fire. The application for a license shall be made only upon forms furnished by the licensing official.

Section 4. That Section 297.40 of the above-entitled ordinance be amended to read as follows:

- 297.40. Investigation Qualifications of the applicant. The licensing official shall make report to the city council upon such application, together with recommendations as to the granting or refusal of such license and as to the truth or falsity of any statement contained in such application. Such report shall also give what information the licensing official has as to the character of the applicant or the general reputation of the building within which such hotel is to be conducted, and shall state as to whether or not in the knowledge of licensing official such applicant, proprietor or owner has ever been charged with conducting a disorderly house or with having sold intoxicating liquors illegally. No license shall be issued to any applicant who does not meet the following qualifications:
- (1) Applicant must be the actual owner of the premises or the business at the licensed premises, or in case of a corporation, he or she must be the manager of such premises or business.
- (2) The provisions of Minnesota Statutes, Chapter 364 shall govern the eligibility of an applicant or license holder to acquire or maintain a hotel license based on a prior or present criminal conviction or convictions.
- (3) If the applicant is a corporation, it must be authorized to do business in Minnesota.
- (4) No license shall be issued or transferred to any person who has had a license revoked within five (5) years prior to the date of application under the terms of this chapter or the statutes of the State of Minnesota nor shall any license be issued or transferred to the spouse of such person.
- Section 5. That Section 297.50 of the above-entitled ordinance be amended to read as follows:
- 297.50. Issuance of license; License fee. (a) Upon the receipt of reports from the commissioner of health, director of regulatory services, building official, fire department, and licensing official, the city council may, in its discretion, grant or refuse such license, but no such license shall be issued until all the regulations relating to hotels have been complied with.
- (b) The annual license fee for such license shall be as established in Appendix J, the License Fee Schedule.

For not more than 20 rooms\$306.00

(c) Upon action by the city council authorizing and directing the issuance of a license to any such applicant, and payment of the license fee, the licensing official shall issue to such applicant the license authorized and directed to be issued by such resolution.

Section 6. That Chapter 297 of the Minneapolis Code of Ordinances be amended by adding thereto a new Section 297.65 to read as follows:

- 297.65. Limitations on duration of occupancy. (a) It shall be unlawful for any person to put up or stay at the same boutique hotel or hotel for longer than twenty-nine (29) days in a sixty (60) consecutive day period. It shall also be unlawful for the owner, operator, manager, or person in charge of a boutique hotel or hotel to permit or allow a person to stay at the hotel or motel in excess of twenty-nine (29) days in a sixty (60) consecutive day period. This section shall not apply to extended stay hotels as defined in 297.10 of this chapter.
- (b) Notwithstanding subsection (a) of this section, a stay in excess of twenty-nine (29) days in a sixty (60) day period may occur in the following situations:
- (1) Where there is a written contract between the boutique hotel or hotel and a governmental, charitable, or insurance agency to house families in crisis who are receiving temporary housing assistance from said governmental, chartable or insurance agency; a specific business entity for a business purpose which requires extended temporary occupancy, an individual whose purpose of hotel occupancy is not as a primary residence, or;
- (2) Where there is a written contract between the boutique hotel or hotel for an onsite resident manager or employee to live at the hotel or motel.
- (c) It shall be unlawful for a boutique hotel or hotel owner, operator, manager or person in charge of a boutique hotel or hotel to permit an employee of the boutique hotel or hotel to live at the boutique hotel or hotel for more than twenty-nine (29) days in a consecutive sixty (60) day period unless the room occupied by the employee contains a kitchen separate from sanitary facilities equipped with a full-sized refrigerator, built-in stove, and microwave.
- (d) It shall be unlawful for an extended stay hotel owner, operator, manager, or person in charge of an extended stay hotel to allow guest stays longer than one hundred twenty (120) days in a one hundred and fifty (150) consecutive day period in more than 30% of the rooms except in circumstances where there is a written contract between the extended stay hotel and
- (1) a governmental, charitable, or insurance agency to house families in crisis,
- (2) a relocation service as part of a business relocation,
- (3) a specific business entity for a business purpose which requires extended temporary occupancy, or
- (4) an individual whose purpose of hotel occupancy is not as a primary residence.
- Section 7. That Section 297.70 of the above-entitled ordinance be amended to read as follows:
- 297.70. License revocation and suspension. Register to be kept. Any such license to conduct a hotel may be revoked or suspended by the city council in its discretion, either upon its own motion or upon the receipt of a report from the chief of police that such hotel is being conducted in a disorderly manner or that any immoral conduct or practices are being permitted therein, or that such hotel is being conducted, operated or maintained in violation of any of the laws of the State of Minnesota or this Code of Ordinances. Every person to whom a hotel license has been issued shall at all times keep a hotel guest register within the establishment that complies with Minnesota Statute 327.10.

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Section 8. That Chapter 297 of the Minneapolis Code of Ordinances be amended by adding thereto a new Section 297.80 to read as follows:

- **297.80.** Reserved. Required services. All boutique hotels, extended stay hotels, and hotels shall provide the following services:
- (1) The customary hotel services such as linens and maid service.
- (2) Furniture, including at a minimum a bed, and upkeep of furniture.
- (3) Secured rooms (lockable).

Section 9. That Section 297.90 of the above-entitled ordinance be amended to read as follows:

- 297.90. Report of violations. Undesirable guests: ejection of and refusal to admit. The chief of police, immediately upon the receipt of any information or knowledge that any such hotel is being conducted in a disorderly manner or that any immoral conduct or practices are being permitted in any such hotel or that any law of the State of Minnesota or ordinance of the city is being violated by the conduct of such hotel, shall report such fact to the city council. The city council, immediately upon receipt of such report, shall consider the same and may in its discretion revoke or suspend such license. (a) The owner, operator, manager or person in charge may remove or cause to be removed from a boutique hotel, extended stay hotel, or hotel a guest or other person who:
- (1) refuses or is unable to pay for accommodations or services;
- (2) while on the premises acts in an obviously intoxicated or disorderly manner, destroys or threatens to destroy establishment property, or causes or threatens to cause a disturbance;
- (3) the owner, operator, manager or person in charge reasonably believes is using the premises for the unlawful possession or use of controlled substances in violation of Minnesota Statute Chapter 152, sex trafficking, prostitution, or using the premises for the consumption of alcohol by a person under the age of 21;
- (4) the owner, operator, manager or person in charge reasonably believes has brought property into the establishment that may be dangerous to other persons, such as firearms or explosives;
- (5) violates any federal, state, or local laws, ordinances, or rules relating to the establishment; or
- (6) violates a rule of the establishment that is clearly and conspicuously posted at or near the front desk and on the inside of the entrance door of every guest room.

Section 10. That Chapter 297 of the Minneapolis Code of Ordinances be amended by adding thereto a new Section 297.100 to read as follows:

- **297.100.** Reserved. Prohibited acts. (a) Failure to maintain the licensed premises to all building, fire, mechanical, zoning or licensing codes.
- (b) Knowingly allowing a room to be occupied for purposes of sex trafficking.

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- (c) Knowingly allowing a room to be occupied for purposes of illegal drug activity.
- (d) Knowingly allowing a room to be occupied by a minor for the consumption of alcoholic beverage.
- (e) Prohibiting the inspection of the licensed premises for purposes of inspections of the premises.
- (f) Failure to report observed or suspected illegal activity to the police in a reasonable period of time.

Section 11. That Section 297.110 of the above-entitled ordinance be amended to read as follows:

297.110. - Regular inspection and report by health commissioner. Denial, suspension, revocation or non-renewal of license application. The commissioner of health or his or her authorized deputies shall at least twice in each year inspect all hotels in the city for the conduct of which licenses have been issued, and after such inspection shall report to the city council the name and location of any hotel that is being conducted in an unclean or unsanitary manner or in violation of any of the laws of the State of Minnesota or ordinances of the city as to public health or safety. The provisions of this section are not exclusive. Adverse license action, inclusive of, but not limited to, revocation, may be based upon good cause at any time upon proper notice and hearing. This section shall not preclude the enforcement of any other provisions of this Code or state and federal laws and regulations.

Section 12. That Section 297.120 of the above-entitled ordinance be and is hereby repealed.

297.120. - Use of "hotel" name. Any person conducting or operating a hotel without a license therefor or whose license is revoked by the city council or to whom a renewal of license shall be denied or to whom an original license is denied, shall immediately cease to operate such hotel and shall immediately cease to employ the word "hotel" or any other word or sign in any place or upon any such building in designating or advertising the premises.

Certified as an official action of the City Council:



					RECORD C	F COUNCIL V	OTE (X INDICATES	S VOTE)					
COUNCIL	AYE	NAY	ABSTAIN	ABSENT	VOTE TO OVERRIDE	VOTE TO SUSTAIN	COUNCIL MEMBER	AYE	NAY	ABSTAIN	ABSENT	VOTE TO OVERRIDE	VOTE TO SUSTAIN
Reich	X						Glidden	X					
Gordon	Χ						Cano	X					
Frey	X						Bender	X					
B Johnson	X						Quincy	X					
Yang	X						A Johnson	X					
Warsame	X						Palmisano	X					
Goodman	Y												

ADOPTED	JUL 1 0 2015	APPROVED NOT APPRO	OVED VETOED
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T	CITY CLERK	MAYOR HODGES	DATE